

FISCAL NOTE

HB 2780 - SB 3276

March 29, 2006

SUMMARY OF BILL: Creates a new section that makes the Governmental Tort Liability Act (GTLA) liability cap inapplicable to a medical malpractice action brought against physicians associated with hospitals where such limits are in effect.

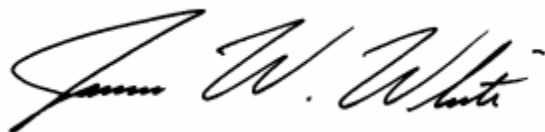
Increase Local Govt. Expenditures – Exceeds \$3,000,000*

- The medical malpractice insurance premiums and deductibles will increase because of the increased exposure to liability.
- Increase in medical malpractice insurance premiums for local government hospitals that pay malpractice insurance premiums for physician employees.
- The cost of medical malpractice insurance for Nashville General Hospital in Davidson County is estimated to be between \$1,500,000 and \$2,000,000.
- As more suits are brought, the cost of the medical malpractice premium would increase.
- Removal of the GTLA liability cap may be an increase in the length of time to litigate cases.

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with a large initial "J" and a stylized "W".

James W. White, Executive Director